Improving College Instruction through Incentives

SADOFF

In a randomized experiment, we test the impact of performance-based incentives for community college instructors. We examine the effects of instructor incentives alone and in conjunction with student incentives to test for evidence of complementarities. We find that instructor incentives improve student performance on objective course exams by 0.2 standard deviations (SD), increase course grades by 0.1 SD and reduce course dropout rates by 19%. The largest impacts are among adjunct instructors. We find no evidence that student incentives improve the effectiveness of instructor incentives when offered in combination. Our incentives are framed as losses and distributed in the form of upfront bonuses that instructors pay back at the end of the semester if they do not meet performance targets. We elicit instructors' preferences to work under loss-framed contracts compared to gain-framed contracts distributed at the end of the semester. We find that at baseline instructors prefer gain-framed contracts, but that experience with the loss-framed incentives significantly increases instructors' preference for them.